



General Assembly

February Session, 2004

Raised Bill No. 378

LCO No. 1603

01603_____ET_

Referred to Committee on Energy and Technology

Introduced by:
(ET)

***AN ACT CONCERNING A MUNICIPAL ELECTRIC AGGREGATION
DEMONSTRATION PROGRAM.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective July 1, 2004*) (a) For purposes of this section,
2 "municipal aggregation unit" means a municipality or group of
3 municipalities that serve as an electric aggregator for the purpose of
4 negotiating the purchase of electric generation services from an electric
5 supplier for all electric customers within the legal boundaries of the
6 subject municipality or group of municipalities.

7 (b) Beginning on January 1, 2005, there shall be a municipal electric
8 aggregation demonstration program that shall operate for a period of
9 not more than three years. Such demonstration program shall allow
10 customers to opt-out of the electric service offered by the municipal
11 aggregation unit. The combined number of participants in the
12 demonstration program shall represent not more than fifteen per cent
13 of the total peak load in the state. The Department of Public Utility
14 Control shall certify which municipal aggregation units may
15 participate in the program on a first-come, first-served basis.
16 Municipalities that are served by municipal electric utilities that have

17 declined to participate in the competitive electric generation market
18 prior to January 1, 2004, shall not be eligible to participate in this
19 demonstration program.

20 (c) A municipality shall initiate a process to form or join a municipal
21 aggregation unit by the adoption of an ordinance.

22 (d) The municipal aggregation unit shall issue a request-for-
23 proposal to licensed electric suppliers for the provision of electric
24 generation service and select a bidder if the price is not more than the
25 current or projected price for transitional standard offer service or
26 standard service. Each municipal aggregation unit shall retain the
27 services of a firm having expertise in electric aggregation and energy
28 procurement to assist in the development of its request-for-proposal.
29 The municipal aggregation unit shall not be subject to the provisions of
30 sections 16-245o and 16-245s of the general statutes, as amended.

31 (e) Not later than July 15, 2004, the Department of Public Utility
32 Control shall open a proceeding to develop a set of demonstration
33 program requirements which shall include, but not be limited to, the
34 manner by which electric customers are provided (1) notice of the
35 initiation of a demonstration program, (2) information regarding rates
36 and environmental characteristics, (3) information regarding contract
37 terms and conditions, and (4) notice regarding a customer's right to
38 cancel service.

39 (e) Not later than January 1, 2007, the Department of Public Utility
40 Control, in consultation with the Office of Consumer Counsel, shall
41 submit, in accordance with section 11-4a of the general statutes, a
42 report regarding the performance of the municipal electric aggregation
43 demonstration program to the joint standing committee of the General
44 Assembly having cognizance of matters relating to energy. The report
45 shall also include findings and recommendations regarding whether or
46 not the time period for this demonstration program should be
47 extended, and whether or not the program should be expanded state-
48 wide.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>

Statement of Purpose:

To establish a municipal electric aggregation demonstration program that will operate as a customer opt-out of electric service program.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]